

For Immediate Release
February 18, 2009

For More Information Contact:

Jason Kirkpatrick, CFE, CPA
Senior Manager
jkirkpatrick@delapcpa.com
(503) 697-4118

MyKim Tran
Business Development
mtran@delapcpa.com
(503) 697-4118

Delap LLP is helping to promote awareness of the new research, as it indicates that fraud continues to be a serious problem for businesses and organizations worldwide. We realize Fraud is a topic that is not easy to think about or discuss. The perception people have is that it will not happen to them.

ACFE Estimates U.S. Organizations Lose 7 Percent of Revenues to Fraud

AUSTIN – U.S. organizations lose an estimated seven percent of their annual revenues to fraud, according to a survey of Certified Fraud Examiners who investigated cases between January 2006 and February 2008. The Association of Certified Fraud Examiners (ACFE) published the results of the survey in its highly-anticipated *2008 Report to the Nation on Occupational Fraud & Abuse*.

The *Report* found that:

- **Fraud schemes tend to be extremely costly.** The median loss caused by the occupational frauds in this study was \$175,000. More than one-quarter of frauds involved losses of at least \$1 million.
- **Schemes frequently continue for years before they are detected.** The typical fraud in our study lasted two years from the time it began until the time it was caught by the victim organization.
- **Frauds were most often committed by the accounting department or upper management, and most fraudsters were first-time offenders.** Only seven percent of fraud perpetrators in the study had prior convictions and only 12 percent had been previously terminated by an employer for fraud-related conduct.
- **Occupational frauds are much more likely to be detected by a tip than by audits, controls or other means.**
- **Small businesses are especially vulnerable to fraud.**
- **Seventy-eight percent of victim organizations modified their anti-fraud controls after discovering that they had been defrauded.**

The *Report* also details findings such as how organizations were impacted based upon industry, how the implementation of anti-fraud controls affected exposure to fraud, and the most common behavioral traits observed among fraud perpetrators.

The *Report to the Nation* is available for download online at the ACFE's web site:

www.ACFE.com/RTTN. The *Report* is in PDF format.

About Delap LLP

Delap LLP is one of Portland's largest locally owned public accounting firms and has earned its reputation as a firm of quality, integrity, and stability by delivering client satisfaction in the Northwest community for over 75 years.

Delap provides a full range of services including accounting, audit, tax, and consulting services across industries to help clients meet their strategic goals and business needs. For more information about Delap, visit www.delapcpa.com.

About the Association of Certified Fraud Examiners

The ACFE is the world's premier provider of anti-fraud training and education. Together with nearly 50,000 members in over 125 countries, the ACFE is reducing the incidence of fraud and providing the training and resources to fight fraud more effectively. Founded in 1988 by Joseph T. Wells, CFE, CPA, the ACFE proudly celebrates its 20th anniversary as the leader in the global fight against fraud. For more information about the ACFE, visit www.ACFE.com.

##